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# In the Supreme Court of the United States

OCTOBER TERM, 1979

NO. 79-684

THE VISION CENTER,

Petitioner

VERSUS

OPTICKS, INC., WILL ROSS, INC.
and G. D. SEARLE & CO.,

Respondents

## BRIEF IN OPPOSITION TO PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

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BRIEF IN OPPOSITION TO PETITION
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STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

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## STATEMENT OF THE CASE

Petitioner is a partnership formed in 1967 for the practice of optometry in the New Orleans area by Dr. Ellis Pailet and other optometrists. The name "The Vision Center" was first used by Dr. Pailet when he began his practice of optometry in New Orleans in 1955. The words "The Vision Center" or "Vision Center" have been used by petitioner on eyeglass

cases, thank-you notes, birthday cards, annual recall notices, stationery, and business forms given to patients or otherwise used in petitioner's business, and, since a change of the law in 1978, have been used by petitioner in its advertising in newspapers, magazines, and on the radio.

In 1969, Opticks, Inc., a G.D. Searle & Co. subsidiary incorporated in Texas with its principal place of business in Dallas, acquired a New York City company that had dispensed optical goods and services since 1952 under the name "Vision Center". Shortly after this acquisition, Opticks began operating similar stores in other areas of the country using the words "Vision Center," usually with one of three prefixes: "Pearle", "Rogers", or "Hillman-Kohan."

At present, Opticks; Inc. owns and operates a national chain of retail outlets for optical services and goods under the trade names "Pearle Vision Center", "Rogers Vision Center", and "Hillman-Kohan Vision Center." Opticks, Inc. planned to open three outlets in the New Orleans area under the name "Pearle Vision Center" in late August, 1978; each store would have been identified by a large green exterior sign showing the words "Pearle Vision Center" in large white letters, with the word "Pearle" in a legend twice as bold and twice as large as the words "Vision Center". In connection with the opening of its New Orleans stores, Opticks, Inc. planned to use its national advertising program and materials including television and radio commercials, newspaper advertisements, and direct mail fliers. Although a small percentage of consumer-oriented



advertising material used elsewhere in the country employs the words "Vision Center" without an identifying prefix, the advertising slated for use in the New Orleans area always used only the words "Pearle Vision Center."

Petitioner sued respondents in state court in Louisiana for an injunction prohibiting respondents from using their trade name "Pearle Vision Center." Upon removal of the case by respondents, a trial for a preliminary injunction was held in the United States District Court for the Eastern District of Louisiana on August 10-11, 1978. At trial, petitioner offered into evidence national advertising used by respondents in other areas of the country, respondents' telephone listing, testimony from seven of petitioner's customers that "Vision Center" connoted petitioner's business to them, testimony showing occasional receipt by petitioner of mail addressed to other optical goods and services dispensaries with the word "vision" in their names, and evidence that a person who had patronized one of respondents' stores in another city confused respondents with petitioner.

Based on this evidence, the district judge issued a preliminary injunction on August 25, 1978, prohibiting respondents from using the words "vision" and "center" together in any of their signs or advertisements in the New Orleans area. On May 23, 1979, the United States Court of Appeals for the Fifth Circuit reversed the district court and remanded the case for further proceedings not inconsistent with its opinion, printed at 596 F.2d 111 (Appendix A, pp. 1a-9a, petitioner's brief before this Court). Petitioner's petition for rehearing was

denied on August 1, 1979, the mandate of the Court of Appeals issued August 9, 1979, and the district court dissolved the preliminary injunction on August 16, 1979 (see Appendix, *infra).* Petitioner did not bring a motion to stay the mandate of the Court of Appeals. Respondents are now doing business in the New Orleans area under the name "Pearle Vision Center" in accordance with the district court's order.

## REASONS FOR REFUSAL OF THE WRIT OF CERTIORARI

### I.

*The decision of the Court of Appeals, as it relates to likelihood of confusion and secondary meaning, is not in conflict with decisions of this Court, those of other Courts of Appeals, or its own earlier decisions.*

The Court of Appeals, holding that petitioner had failed to prove that secondary meaning had attached to the term "vision center", recognized that proof of secondary meaning is a very heavy burden for a plaintiff to carry. *Kellogg Co. v. National Biscuit Co.*, 305 U.S. 111, 118, 59 S.Ct. 109, 113 (1938); *American Heritage Life Insurance Co. v. Heritage Life Co.*, 494 F.2d 3, 12 (5th Cir. 1974); 3 R. Callman, *The Law of Unfair Competition, Trademarks and Monopolies* §77.3, at 359 (3d ed. 1969). In addition, before a plaintiff may enjoin as allegedly infringing use of a mark he must also prove a



"likelihood of confusion", which is difficult of direct proof short of a survey. *Aloe Creme Laboratories, Inc. v. Milsan, Inc.*, 423 F.2d 845, 849 (5th Cir. 1970).

The Court of Appeals held that the testimony of the petitioner's own seven patients, the instances of misdirected mail, and the actual confusion of one of respondent's customers was legally insufficient to establish secondary meaning. The Court noted that the significant investment in the trade name "Vision Center" by respondents for many years in connection with their nationwide advertising campaign and network of optical dispensaries made it predictable that respondents would use the name "Pearle Vision Center" in the New Orleans area. 596 F.2d at 118. In addition, the Court noted, the emphasis placed by respondents on the word "Pearle" in their trade name further absolved them from any charge of deception or unfair competition. *Id.*

Nothing in *Hanover Star Milling Co. v. Metcalf*, 240 U.S. 403, 36 S.Ct. 357 (1916), compels a different result. This Court there held that the substitution of an identifying prefix before a mark was not sufficient to allay the likelihood of confusion, but expressly based this holding upon a finding that the respondent had *deliberately* attempted to trade on the good will of the petitioner, a factor not present in the instant case:

> [Respondent's] purpose to take advantage of the reputation of the [petitioner's] Tea Rose flour is so manifest, and the tendency of the similarity of the brand and accompanying

> design, and of the makeup of the packages, to mislead ultimate consumers, is so evident that it seems to us a case of unfair competition is made out. The circumstances strongly indicate a fraudulent intent to palm off the Steeleville Tea Rose flour upon customers as being the same as the Tea Rose flour made by complainant, the reputation of which is shown to be so well established.

36 S.Ct. at 364. This passage, in fact, immediately preceded the excerpted sentence quoted by petitioner on p. 7 of its brief before this Court. Apart from the obvious difference between "Tea Rose" as applied to flour and "vision center" as applied to an optical goods store, this Court's holding in *Hanover Star Milling Co., supra,* was also based on a finding that the words "Tea Rose" had acquired a secondary meaning. *Id.*

Nor is *World Carpets, Inc. v. Dick Littrell's New World Carpets,* 438 F.2d 482 (5th Cir. 1971), in any way in conflict with the holding of the Court of Appeals below. In that case, the conflicting marks were "World" and "New World", not, as stated on p. 7 of petitioner's brief before this Court, "World Carpets" and "New World Carpets." The Court of Appeals' holding there that the use of the mark "New World" infringed upon the mark "World" was expressly premised upon a holding that the term "World" was not a descriptive term, *contra* the Court's view of the mark "Vision Center" in the instant case. *Id.* at 486-87.



And in *Jenkins Publishing Co. v. Metal Working Publishing Co.*, 315 F.2d 955 (C.C.P.A. 1963), the affirmance by the Court of Customs and Patent Appeals of the cancellation from the Supplemental Register of the mark "Western Metal Working" as infringing upon the mark "Metal Working" was founded upon that court's unquestioning acceptance of the registration of the term "Metal Working" on the Principal Register as conclusive evidence of proof of secondary meaning, an element not present in the instant case. *Id.* at 957.

In sum, the holding below was squarely in accord with the law of trademark infringement as reflected in relevant decisions of this Court, other Courts of Appeals, and the Fifth Circuit Court of Appeals' own prior holdings.

## II.

*The decision of the Court of Appeals, which recognized that an inherently descriptive term is incapable of trademark protection without secondary meaning, and that such secondary meaning cannot be proved through long usage alone, does not conflict with the decisions of this Court, those of the Courts of Appeals of other Circuits, or its own earlier decisions.*

Although petitioner correctly represents on p. 8 of its brief before this Court that the federal registration of a trademark is *prima facie* evidence of the distinctive character of a mark, it fails to point out that this rebuttable statutory presumption of trademarkability under the Lanham Act, 15 U.S.C. §§1057(b), 1115(a)(1976), may be overcome by establishing

the generic or descriptive nature of the mark. *Flexitize, Inc. v. National Flexitize Corp.*, 335 F.2d 774, 779 (2d Cir. 1964), *cert. denied*, 380 U.S. 913, 85 S.Ct. 899 (1965), *cited in Vision Center v. Opticks, Inc.*, 596 F.2d 111, 119 (5th Cir. 1979).

Petitioner's reliance on *American Trading Co. v. H. E. Heacock Co.*, 285 U.S. 247, 52 S.Ct. 387 (1932), is also misplaced. In that case, unlike the present case, the infringing trade name was *identical* to the trade name sought to be protected - - "Wm. A. Rogers, Ltd." - - and the goods covered by the trade name used by both petitioner and respondent were also virtually identical:

> The evidence is conclusive that the wares for which the American Trading Company has been taking and filling orders are very similar in appearance, design, and material to the wares which have been advertised and sold in this country by Heacock Company since 1905. It is true that a dealer in such wares could and would see the distinction between them, but even so, in the ordinary course of business, the average public to whom they are sold could not and would not distinguish one from the other.

*Id.* at 255, 52 S.Ct. at 389. As a consequence, only one user of the mark could be protected: the addition of an identifying prefix before a descriptive term to eliminate the likelihood of



confusion was simply not an issue there.

In addition, the contention by petitioner that long usage, without more, is legally sufficient to prove secondary meaning is, as this Court has earlier recognized, incorrect. In *Kellogg Co. v. National Biscuit Co.*, 305 U.S. 111, 59 S.Ct. 109 (1938), this Court addressed the contention by a manufacturer of shredded wheat cereal that its long use of the term "shredded wheat" entitled it to the exclusive use of that name in commerce:

> It is contended that the plaintiff has the exclusive rights to the name 'shredded wheat' because those words acquired the 'secondary meaning' of shredded wheat made at Niagara Falls by the plaintiff's predecessor. There is no basis here for applying the doctrine of secondary meaning. The evidence shows only that due to the long period in which the plaintiff or its predecessor were the only manufacturer of the product, many people have come to associate the product, and as a consequence the name by which the product is generally known, with the plaintiff's factory at Niagara Falls. But to establish a trade name in the term 'shredded wheat' the plaintiff must show more than a subordinate meaning which applies to it. It must show that the primary significance of the term in the minds of the consuming public is not the pro-

> duct but the producer. This it has not done. The showing which it has made does not entitle it to the exclusive use of the term 'shredded wheat' *but merely entitles it to require that the defendant use reasonable care to inform the public of its source of its product.*

*Id.* at 118-19, 59 S.Ct. 113-14 (emphasis added). The holding of the Court of Appeals in the decision below, 596 F.2d at 119, was therefore in harmony with this Court's pronouncement in *Kellogg Co.* that the long, unopposed usage of a term, without more, is legally insufficient to establish secondary meaning.

## III.

*The requirement that fraud or conduct tantamount to fraud be proved in order to entitle the petitioner to injunctive relief is an integral part of his cause of action under Louisiana law. This requirement was correctly applied by the Court of Appeals in the decision below.*

This case was originally filed in state court, and was removed to the United States District Court for the Eastern District of Louisiana on the grounds of the diversity of the citizenship of the parties. Therefore, of course, Louisiana law governed this case. The Court of Appeals for the Fifth Circuit applied Louisiana law, relying also, as do the Louisiana courts, on federal precedents where there is no difference between Louisiana law and the general law.



The Court of Appeals in its decision below properly applied Louisiana law in this case, which requires that, before an allegedly infringing use of a trade name be enjoined, the plaintiff must prove fraud or conduct tantamount to fraud on the part of the defendant. Whatever the difference petitioner postulates between "actual fraud" and "conduct tantamount to fraud", it is clear beyond cavil that the gravamen of this requirement is that petitioner prove that respondents attempted to pass off their own goods and services as his. *T.G.I. Friday's, Inc. v. International Restaurant Group, Inc.*, 569 F.2d 895, 899 (5th Cir. 1978); *Straus Frank Co. v. Brown*, 169 So.2d 77 (La. 1964); *Home Beverage v. Baas*, 28 So.2d 481 (La. 1946).

As the Court of Appeals recognized, the evidence introduced by petitioners at the trial of the preliminary injunction was simply too weak to warrant the extraordinary remedy of injunctive relief. Whatever significance petitioner attaches to the use of large signs by respondents in advertising their business, or their attempts to purchase its business, it cannot be denied that the significant investment in the "Pearle Vision Center" trade name nationwide, and the extensive advertising program devoted to the promotion of that name, makes it more than reasonable to expect that this name would be used in the New Orleans area. Further, the emphasis placed by respondents on the word "Pearle" as opposed to the words "Vision Center", and the fact that the words "Vision Center" were never used in the New Orleans area without the identifying prefix, establish that the conduct of respondents in the New Orleans area did not even approach being fraudulent.

If there exists "a wedge between the law of trade names as enforced throughout the United States from that as enforced in Louisiana", as represented on p. 11 of petitioner's brief before this Court, it is a wedge not placed there by the United States Court of Appeals for the Fifth Circuit. As that Court recognized, 596 F.2d at 118 n.19, the law of Louisiana denies injunctive relief to a plaintiff alleging trademark infringement unless he can prove fraud on the part of the alleged infringer. *Straus Frank Co. v. Brown*, 169 So.2d 77 (La. 1964); *Home Beverage Service v. Baas*, 28 So.2d 481, 484 (La. 1946); *Couhig's Pestaway Co. v. Pestaway, Inc.*, 278 So.2d 519 (La. App. 4th Cir. 1973). The Court recognized that this requirement for injunctive relief is peculiar to Louisiana, but, under the *Erie* doctrine, it of course applied Louisiana law.

## CONCLUSION

The complete absence in this case of any of the factors enunciated in Supreme Court Rule 19(1)(b), as well as the obviously judicious consideration of the facts and accurate application of the law by the United States Court of Appeals for the Fifth Circuit, makes this case unworthy of the issuance of a writ of certiorari. As this Court has before stated, "ordinarily we accept and therefore do not review, save in exceptional cases, the considered determination of questions of state law by the intermediate federal appellate courts." *Huddleston v. Dwyer*, 322 U.S. 232, 233, 64 S. Ct. 1015, 1018 (1944). The petition for a writ of certiorari therefore should be denied.



Respectfully submitted,

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## CERTIFICATE

It is certified that copies of the foregoing Brief in Opposition to Petition for Writ of Certiorari were served on Petitioner this date by mailing same to their counsel of record as required by Rule 33(1) of this Court.

New Orleans, Louisiana, this 27th day of November, 1979.

Harry S. Hardin, III

APPENDIX

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

| | |
|---|---|
| THE VISION CENTER | CIVIL ACTION |
| versus | NO. 78-2458 |
| OPTICKS, INC.; WILL ROSS, INC.; and G. D. SEARLE & CO. | SECTION "E" (4) |

MOTION TO DISSOLVE PRELIMINARY INJUNCTION

NOW INTO COURT, through undersigned counsel, come defendants, Opticks, Inc., Will Ross, Inc., and G. D. Searle & Co., who, on representing to the Court that counsel for plaintiff has no objection to the form of this motion, respectfully move this Court for an order in accordance with the mandate issued by the United States Court of Appeals, Fifth Circuit in *Vision Center vs. Opticks, Inc.*, 596 F.2d 111, 120 (5th Cir., 1979).

ORDER

CONSIDERING THE FOREGOING, it is ordered that the Order for Preliminary Injunction entered by this Court on August 25, 1978 be, and the same is hereby, dissolved.

It is further ordered that Opticks, Inc., Will Ross, Inc., and G. D. Searle, & Co., Inc. must place the identifying prefix "Pearle" before the phrase "Vision Center" every time the phrase "Vision Center" appears in any of their signs and ad-

vertisements in the New Orleans area.

New Orleans, Louisiana, August 16, 1978.

s/ Morey L. Sear
JUDGE

RESPECTFULLY SUBMITTED,

s/ Gerald F. Slattery, Jr.

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